

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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## MEMORANDUM

**TO:** Fiscal Officers of Political Subdivisions

**FROM:** Brian E. Bailey, Commissioner BEB

**DATE:** June 8, 2011

**SUBJECT:** New Requirement for Approval of Annual Budgets or Additional Appropriations

Pursuant to HEA 1004-2011, the Department of Local Government Finance ("Department") is prohibited under IC 5-11-1-4, IC 5-11-13-1, and IC 6-1.1-17-16.2 from approving an annual budget or additional appropriations of any political subdivision until that subdivision files with the State Board of Accounts the Annual Financial Report and the Annual Report of Employees and Compensation for the preceding year. This prohibition also applies to school corporations and the filing of the Form 9 with the Indiana Department of Education. Therefore, the Department is prevented from approving any 2012 budgets or additional appropriations until the unit of government has filed both their 2010 Annual Report and the 2010 Annual Report of Employees and Compensation, or in the case of a school corporation, the Form 9.

This Memo is intended to emphasize the increased importance of properly filing those statutorily required reports. Non-compliance with this requirement will result in denial of both the annual budget and any additional appropriation requests until the reports are filed.

Questions of the new requirements may be addressed to Dan Jones, Assistant Director Budget Division at [djones@dlgf.in.gov](mailto:djones@dlgf.in.gov) or 317.232.0651.